



FROM THE OFFICE OF STATE TREASURER BRIAN K. KROLICKI

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Treasurer Krolicki Announces Another Upgrade to State's Credit Rating

(Carson City, NV) – State Treasurer Brian K. Krolicki announced today that the state of Nevada has secured a credit upgrade from Standard and Poor's. With the upgrade, Nevada's General Obligation bond rating increased from an AA to AA+.

"As the outgoing State Treasurer, I am proud that my office was able to gain this third upgrade from a national rating agency. This truly reflects the hard work of the Treasurer's Office staff, Budget Director Andrew Clinger and State Economist Bill Anderson, in communicating to the rating agencies the conservative fiscal policies and practices in place today," stated Treasurer Krolicki.

Three primary rating agencies, Fitchratings, Moody's Investor Service and Standard and Poor's, constantly measure economic, financial and management factors within the State to determine it's credit rating. Standard and Poor's is the final of the three agencies to upgrade the State's rating to only one notch below the highest rating of AAA. Standard and Poor's cites "Importantly, both the governor and the existing state statute are treating stabilization reserve replenishment as among the priorities for the additional revenue." They continue, "The Stable outlook reflects the state's near fully replenished financial reserves and steady economic growth."

The immediate impact of this announcement would be savings on the interest rate for the series of bonds being sold June 27, 2006. On this transaction alone, an estimated \$50,000 would be saved in bond insurance. The state of Nevada is competitively selling over \$150,000,000 in general obligation bonds. The proceeds from the Open Space, Parks and Natural Resources Bonds 2006A Series for \$22,000,000 will be used for State Lands, Parks and Wildlife Question 1 projects authorized by voters November 5, 2002. The 2006B Series consists of \$16,000,000 Natural Resources Bonds for State Lands Projects in the Tahoe area and the Marlette Capital Improvements to the Pumping system done in conjunction with Carson City Utilities. The \$2,925,000 Cultural Affairs Bonds Series 2006C will finance improvements to the Western Folklife Center, Piper's Opera house, Thunderbird Lodge and the White Pine Historical Railroad Foundation, to name just a few. Finally, Series 2006D consist of a Colorado River Commission Refunding Bonds in the amount of \$114,000,000. This refunding is currently estimated to save ratepayers of the Southern Nevada Water Authority over \$5,200,000.

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